

UNITED STATES BANKRUPTCY COURT

FOR THE WESTERN DISTRICT OF WASHINGTON

In re)	Case No. 16-43413-BDL
)	
SUZANNE K. REGALADO,)	Chapter 7
)	
Debtor.)	
_____)	Adv. Pro. No. _____
)	
OREGON COMMUNITY CREDIT)	COMPLAINT TO DETERMINE
UNION, a state chartered credit union,)	DISCHARGEABILITY OF DEBT
)	PURSUANT TO 11 U.S.C.
Plaintiff,)	§ 523(a)(2)(A) AND 11 U.S.C.
)	§ 523(a)(2)(B)
v.)	(Oregon Community Credit Union.)
)	
SUZANNE K. REGALADO,)	
)	
Defendant.)	

Plaintiff alleges:

JURISDICTION

1. The jurisdiction of this court is based upon 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(I) which arises under 11 U.S.C.

**PAGE 1 OF 5 - COMPLAINT TO DETERMINE
DISCHARGEABILITY OF DEBT PURSUANT TO 11
U.S.C. § 523(a)(2)(A) AND 11 U.S.C. § 523(a)(2)(B)
(Oregon Community Credit Union)**

MONSON LAW OFFICE P.C.
1865 NW 169th Place, Suite 208
Beaverton, OR 97006
Telephone: 503-828-1820
Facsimile: 503-828-1893

1 §523.

2 2. On August 15, 2016, Suzanne K. Regalado (“Defendant”) filed a voluntary
3 petition for relief under Chapter 7 of the Bankruptcy Code in the United States Bankruptcy Court
4 for the Western District of Washington.

5 PARTIES

6 3. Plaintiff is an Oregon-state chartered credit union.

7 4. Defendant is an individual residing in Pierce County, Bonney Lake, Washington.

8 FIRST CAUSE OF ACTION

9 (11 U.S.C. §523(a)(2)(A))

10 5. On or about November 19, 2014, Defendant executed a retail installment contract
11 (the “Contract”) for the purchase of a 2004 Dodge Ram (the “Collateral”). A copy of the
12 Contract is incorporated herein and attached hereto as Exhibit 1.

13 6. Defendant obtained money from Plaintiff under the Contract to fund the purchase
14 of the Collateral, in the amount of \$30,071.00.

15 7 Defendant promised to pay Plaintiff a sum of \$30,071.00 in monthly installments
16 of \$406.47 beginning February 17, 2015, with interest accruing on \$30,071.00 at the rate of
17 3.5% per annum.

18 8. At the time Defendant entered into the Contract, Defendant also signed a Member
19 Affidavit and Acknowledgment of Collateral Use (“Affidavit and Acknowledgment”). The
20 Affidavit and Acknowledgment is incorporated herein and attached hereto as Exhibit 2.

21 9. In the Affidavit and Acknowledgment Defendant represented to Plaintiff that she
22 would not use the Collateral for business purposes, and that the Collateral would not be used for

23 **PAGE 2 OF 5 - COMPLAINT TO DETERMINE**
24 **DISCHARGEABILITY OF DEBT PURSUANT TO 11**
25 **U.S.C. § 523(a)(2)(A) AND 11 U.S.C. § 523(a)(2)(B)**
26 **(Oregon Community Credit Union)**

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1 any purpose other than personal family, or household purposes. At the time Defendant made
2 these representations, she knew they were false.

3 10. Contrary to Defendant's representations that the Collateral would not be used for
4 business purposes, or for any other purpose other than personal, family, or household purposes,
5 Defendant purchased and used the Collateral for business purposes, specifically for use as part of
6 a truck fleet in a business of which she was a member.

7
8 11. Had Plaintiff known at the time of the Contract that Defendant was purchasing the
9 Collateral for business purposes or for other purposes other than personal family, or household
10 purposes, Plaintiff would not have authorized and entered into the Contract.

11 12. With the intention and purpose of deceiving Plaintiff to induce the granting of
12 credit, Defendant misrepresented to Plaintiff that she was not purchasing the Collateral for
13 business purposes or for other purposes other than personal, family, or household purposes,
14 which fact is material.

15 13. Plaintiff justifiably relied on Defendant's false pretenses, false representation, or
16 actual fraud.

17 14. Plaintiff sustained damages as the proximate result of Defendant's false pretenses,
18 false representation, or actual fraud, including \$21,926.61, plus \$1,245.63 in interest accrued
19 through November 15, 2016, plus interest on the sum of \$21,926.61 at the rate of 3.5% until
20 paid, plus attorneys' fees and costs.

21
22 15. The Contract contains a provision that entitles Plaintiff to reasonable attorneys'
23 fees and costs.

24 16. Plaintiff has incurred and will continue to incur reasonable attorneys' fees and
25 **PAGE 3 OF 5 - COMPLAINT TO DETERMINE**
26 **DISCHARGEABILITY OF DEBT PURSUANT TO 11**
U.S.C. § 523(a)(2)(A) AND 11 U.S.C. § 523(a)(2)(B)
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1 costs.

2 SECOND CAUSE OF ACTION

3 (11 U.S.C. §523(a)(2)(B))

4 17. Plaintiff realleges paragraphs 5 through 16 as though fully set forth herein.

5 18. As part of the loan application process, Defendant submitted a written loan
6 application (the "Loan Application"), which included statements regarding Defendant's financial
7 condition. A copy of the loan application is incorporated herein and attached hereto as Exhibit 3.
8

9 19. Regarding Defendant's financial condition at the time of the Loan Application,
10 Defendant stated in her Loan Application that she earned \$6,950.00 monthly.

11 20. At the time Defendant signed and submitted the Loan Application, Defendant's
12 income was approximately \$4,000.00 monthly.

13 21. Defendant made the written statement that she earned \$6,950.00 a month with the
14 intention of deceiving Plaintiff.

15 22. Plaintiff reasonably relied on Defendant's written statement regarding
16 Defendant's income to determine whether to enter into the Contract. The written statement was
17 material.

18 23. At the time Defendant signed the Loan Application, Defendant knew that her
19 statements regarding earning \$6,950.00 monthly were false.
20

21 24. Defendant knew that the statement about earning \$6,950.00 a month would be
22 relied upon for the purpose of determining whether the loan with Plaintiff would be approved.

23 25. Had Plaintiff known Defendant's actual income information at the time of the
24 Loan Application, Plaintiff would not have authorized and entered into the Contract.

25 **PAGE 4 OF 5 - COMPLAINT TO DETERMINE**
26 **DISCHARGEABILITY OF DEBT PURSUANT TO 11**
U.S.C. § 523(a)(2)(A) AND 11 U.S.C. § 523(a)(2)(B)
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26. Defendant's false, material, written statement respecting Defendant's financial condition on which Plaintiff reasonably upon that Defendant caused to be made or published with intent to deceive was the proximate cause of damages sustained by Plaintiff, including \$21,826.61 plus \$1,245.63 in interest accrued through November 15, 2016, plus interest on the sum of \$21,926.61 at the rate of 3.5% until paid, plus attorneys' fees and costs.

WHEREFORE, Plaintiff prays for judgment against Defendant as follows:

1. In the sum of \$21,826.61, plus \$1,245.63 in interest accrued through November 15, 2016, plus interest on the sum of \$21,826.61 at the rate 3.5% until paid; and

2. Declaring the above sums nondischargeable pursuant to 11 U.S.C. § 523(a)(2)(A);

and

3. Declaring the above sums nondischargeable pursuant to 11 U.S.C. § 523(a)(2)(B);

and

4. Awarding Plaintiff its attorney fees to the extent allowed by law; and

5. Awarding Plaintiff its costs and disbursements incurred herein; and

6. Awarding Plaintiff such other relief as may be just and equitable.

MONSON LAW OFFICE P.C.

/s/ Scott J. Mitchell
Scott J. Mitchell, WSB No. 48619
Attorneys for Plaintiff

**PAGE 5 OF 5 - COMPLAINT TO DETERMINE
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SIMPLE FINANCE CHARGE

Dealer Number _____ Contract Number _____

Buyer Name and Address (Including County and Zip Code) SUZANNE REGALADO 28943 SE WOODS RD EAGLE CREEK OR 97022	Co-Buyer Name and Address (Including County and Zip Code)	Creditor-Seller (Name and Address) M & M INVESTMENT CARS LLC 2774 W. HAYDEN ISLAND DR. PORTLAND OR, 97217
--	---	--

You, the Buyer (and Co-Buyer, if any), may buy the vehicle below for cash or on credit. By signing this contract, you choose to buy the vehicle on credit under the agreements on the front and back of this contract. You agree to pay the Creditor - Seller (sometimes "we" or "us" in this contract) the Amount Financed and Finance Charge in U.S. funds according to the payment schedule below. We will figure your finance charge on a daily basis. The Truth-in-Lending Disclosures below are part of this contract.

New/Used/Demo	Year	Make and Model	Odometer	Vehicle Identification Number	Primary Use For Which Purchased
USED	2004	DODGE RAM PICK	149001	3D7MU48C14G130081	Personal, family, or household unless otherwise indicated below <input type="checkbox"/> business <input type="checkbox"/> agricultural <input type="checkbox"/>

FEDERAL TRUTH-IN-LENDING DISCLOSURES				
ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	Total Sale Price
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.	The total cost of your purchase on credit, including your down payment of
3.500 %	\$ 4872.48	\$ 30071.00	\$ 34143.48	\$ 1500.00 is \$ 35643.48

Your Payment Schedule Will Be:		
Number of Payments	Amount of Payments	When Payments Are Due
84	406.47	Monthly beginning 02/17/15

Or As Follows:

Late Charge. If payment is not received in full within 10 days after it is due, you will pay a late charge of 5 % of the part of the payment that is late.

Prepayment. If you pay off all your debt early, you will not have to pay a penalty.

Security Interest. You are giving a security interest in the vehicle being purchased.

Additional Information: See this contract for more information including information about nonpayment, default, any required repayment in full before the scheduled date and security interest.

ITEMIZATION OF AMOUNT FINANCED	
1 Cash Price (including \$ <u>0.00</u> sales tax)	\$ <u>28084.00</u> (1)
2 Total Downpayment =	
Trade-In <u>1992 CHEVROLET C/E 2500 SERIES</u>	
(Year) (Make) (Model)	
Gross Trade-In Allowance	\$ <u>1500.00</u>
Less Pay Off Made By Seller	\$ <u>0.00</u>
Equals Net Trade In	\$ <u>1500.00</u>
+ Cash	\$ <u>0.00</u>
+ Other <u>MPR REBATE</u>	\$ <u>N/A</u>
(If total downpayment is negative, enter "0" and see 4G below)	\$ <u>1500.00</u> (2)
3 Unpaid Balance of Cash Price (1 minus 2)	\$ <u>26584.00</u> (3)
4 Other Charges Including Amounts Paid to Others on Your Behalf	
(Seller may keep part of these amounts):	
A Cost of Optional Credit Insurance Paid to Insurance Company or Companies.	
Life \$ <u>N/A</u>	
Disability \$ <u>N/A</u>	\$ <u>N/A</u>
B Other Optional Insurance Paid to Insurance Company or Companies	\$ <u>525.00</u>
C Official Fees Paid to Government Agencies:	
to for \$ <u>N/A</u>	
to for \$ <u>N/A</u>	
to for \$ <u>N/A</u>	
D Government Taxes Not Included in Cash Price	\$ <u>N/A</u>
E Government License and/or Registration Fees	
Lic & Reg	\$ <u>0.00</u>

Insurance. You may buy the physical damage insurance this contract requires (see back) from anyone you choose who is acceptable to us. You are not required to buy any other insurance to obtain credit. If any insurance is checked below, policies or certificates from the named insurance companies will describe the terms and conditions.

Check the insurance you want and sign below:
Optional Credit Insurance

☐ Credit Life: ☐ Buyer ☐ Co-Buyer ☐ Both
☐ Credit Disability: ☐ Buyer ☐ Co-Buyer ☐ Both

Premium:

Credit Life \$ N/A

Credit Disability \$ N/A

Insurance Company Name _____

Home Office Address _____

Credit life insurance and credit disability insurance are not required to obtain credit. Your decision to buy or not buy credit life insurance and credit disability insurance will not be a factor in the credit approval process. They will not be provided unless you sign and agree to pay the extra cost. If you choose this insurance, the cost is shown in Item 4A of the Itemization of Amount Financed. Credit life insurance is based on your original payment schedule. This insurance may not pay all you owe on this contract if you make late payments. Credit disability insurance does not cover any increase in your payment or in the number of payments. Coverage for credit life insurance and credit disability insurance ends on the original due date for the last payment unless a different term for the insurance is shown below.

Other Optional Insurance

☒ GAP 84

Type of Insurance Term

Premium \$ 525.00

Insurance Company Name MARICEL

Home Office Address _____

☐ _____

Type of Insurance Term

Premium \$ _____

Insurance Company Name _____

Home Office Address _____

Other optional insurance is not required to obtain credit. Your decision to buy or not buy other optional insurance

to _____ for _____	\$	N/A
D Government Taxes Not Included in Cash Price	\$	N/A
E Government License and/or Registration Fees		
Lic & Reg	\$	0.00
F Government Certificate of Title Fees	\$	77.00
G Other Charges (Seller must identify who is paid and describe purpose.)		
to H/A for Prior Credit or Lease Balance	\$	N/A
to SENTINEL for WARRANTY	\$	2800.00
to _____ for _____	\$	N/A
to H & M Investment for DOC PREP.	\$	95.00
to _____ for _____	\$	N/A
to _____ for _____	\$	N/A
to _____ for _____	\$	N/A
to _____ for _____	\$	N/A
to _____ for _____	\$	N/A
Total Other Charges and Amounts Paid to Others on Your Behalf	\$	3487.00 (4)
5 Amount Financed (3 + 4)	\$	38071.00 (5)

OPTION: ☐ You pay no finance charge if the Amount Financed, item 5, is paid in full on or before _____, Year _____. SELLER'S INITIALS _____

Home Office Address _____

Other optional insurance is not required to obtain credit. Your decision to buy or not buy other optional insurance will not be a factor in the credit approval process. It will not be provided unless you sign and agree to pay the extra cost.

I want the insurance checked above.

X Skylar Regalado 11/19/2014
Buyer Signature Date

X _____ 11/19/2014
Co-Buyer Signature Date

THIS INSURANCE DOES NOT INCLUDE INSURANCE ON YOUR LIABILITY FOR BODILY INJURY OR PROPERTY DAMAGE.

Returned Check Charge: You agree to pay a charge of \$ 35.00 if any check or electronic payment you make is returned unpaid.

NO COOLING OFF PERIOD
State law does not provide for a "cooling off" or cancellation period for this sale. After you sign this contract, you may only cancel it if the seller agrees or for legal cause. You cannot cancel this contract simply because you change your mind. This notice does not apply to home solicitation sales.

The Annual Percentage Rate may be negotiable with the Seller. The Seller may assign this contract and retain its right to receive a part of the Finance Charge.

HOW THIS CONTRACT CAN BE CHANGED. This contract contains the entire agreement between you and us relating to this contract. Any change to this contract must be in writing and we must sign it. No oral changes are binding. Buyer Signs Skylar Regalado Co-Buyer Signs X
If any part of this contract is not valid, all other parts stay valid. We may delay or refrain from exercising any of our rights under this contract without losing them. For example, we may extend the time for making some payments without extending the time for making others.
See back for other important agreements.

NOTICE: The seller intends to sell this contract to OREGON COMMUNITY CREDIT UNION which, if it buys the contract, will become the owner of the contract and your creditor. After the sale of this contract, all questions concerning either terms of the contract or payments should be directed to the buyer of the contract at the address indicated above.

NOTICE TO THE BUYER
Do not sign this contract before you read it or if it contains any blank space, except that:
(1) If delivery of the motor vehicle or mobile home is to be made to you after this contract is signed, the serial number or other identifying information and the due date of the first installment may be filled in at the time of delivery; and (2) If the name of the financing agency is not known at the time the contract is executed, the name of the financing agency may be inserted in the contract on or about the date the name of the financing agency is known.
You are entitled to a copy of this contract.
You have the right to pay in advance the full amount due and if you do so you may save a portion of the finance charge.

CONSUMER PAPER
You agree to the terms of this contract. You confirm that before you signed this contract, we gave it to you, and you were free to take it and review it. You confirm that you received a completely filled-in copy when you signed it.

RETAIL INSTALLMENT CONTRACT

Buyer Signs X Skylar Regalado Date 11/19/2014 Co-Buyer Signs X _____ Date 11/19/2014

Co-Buyers and Other Owners — A co-buyer is a person who is responsible for paying the entire debt. An other owner is a person whose name is on the title to the vehicle but does not have to pay the debt. The other owner agrees to the security interest in the vehicle given to us in this contract.

Other owner signs here X _____ Address _____
Seller signs _____ Date 11/19/2014 By X _____ Title _____

Seller assigns its interest in this contract to OREGON COMMUNITY CREDIT UNION (Assignee) under the terms of Seller's agreement(s) with Assignee.
☐ Assigned with recourse ☒ Assigned without recourse ☐ Assigned with limited recourse

Seller M & M INVESTMENT CARE LLC By _____ Title MANAGER

LAW FORM NO. 563-OR 4/12 U.S. PATENT NO. 6,452,792
©2012 The Reynolds and Reynolds Company TO ORDER: www.reynolds.com 1-800-344-0090; fax 1-800-551-9065
THE REYNOLDS AND REYNOLDS COMPANY MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO CONTENT OR
INTENDED FOR PURPOSE OF THIS FORM, CONSULT YOUR OWN LOCAL COUNSEL.

ORIGINAL LIENHOLDER

EXHIBIT 1
Page 2 of 4

Financed.

- b. **How we will apply payments.** We may apply each payment to the earned and unpaid part of the Finance Charge; to the unpaid part of the Amount Financed and to other amounts you owe under this contract in any order we choose.
- c. **How late payments or early payments change what you must pay.** We based the Finance Charge, Total of Payments, and Total Sale Price shown on the front on the assumption that you will make every payment on the day it is due. Your Finance Charge, Total of Payments, and Total Sale Price will be more if you pay late and less if you pay early. Changes may take the form of a larger or smaller final payment or, at our option, more or fewer payments of the same amount as your scheduled payment with a smaller final payment. We will send you a notice telling you about these changes before the final scheduled payment is due.
- d. **You may prepay.** You may prepay all or part of the unpaid part of the Amount Financed at any time without penalty. If you do so, you must pay the earned and unpaid part of the Finance Charge and all other amounts due up to the date of your payment.

2. YOUR OTHER PROMISES TO US

- a. **If the vehicle is damaged, destroyed, or missing.** You agree to pay us all you owe under this contract even if the vehicle is damaged, destroyed, or missing.
- b. **Using the vehicle.** You agree not to remove the vehicle from the U.S. or Canada, or to sell, rent, lease, or transfer any interest in the vehicle or this contract without our written permission. You agree not to expose the vehicle to misuse, seizure, confiscation, or involuntary transfer. If we pay any repair bills, storage bills, taxes, fines, or charges on the vehicle, you agree to repay the amount when we ask for it.

c. **Security Interest.**

You give us a security interest in:

- The vehicle and all parts or goods put on it;
- All money or goods received (proceeds) for the vehicle;
- All insurance, maintenance, service, or other contracts we finance for you; and
- All proceeds from insurance, maintenance, service, or other contracts we finance for you. This includes any refunds of premiums or charges from the contracts.

This secures payment of all you owe on this contract. It also secures your other agreements in this contract. You will make sure the title shows our security interest (lien) in the vehicle. You will not allow any other security interest to be placed on the title without our written permission.

d. **Insurance you must have on the vehicle.**

You agree to have physical damage insurance covering loss of or damage to the vehicle for the term of this contract. The insurance must cover our interest in the vehicle.

WARNING

Unless you provide us with evidence of the insurance coverage as required by our contract or loan agreement, we may purchase insurance at your expense to protect our interest. This insurance may, but need not, also protect your interest. If the collateral becomes damaged, the coverage we purchase may

not pay for you or on the contract at once. Default means:

- You do not / any payment on time;
- You give false, incomplete, or misleading information on a credit application;
- You start a proceeding in bankruptcy or one is started against you or your property; or
- You break any agreements in this contract.

The amount you will owe will be the unpaid part of the Amount Financed plus the earned and unpaid part of the Finance Charge, any late charges, and any amounts due because you defaulted.

- c. **You may have to pay collection costs.** If we refer this contract for collection to an attorney who is not our salaried employee, you will pay the attorney's fee, plus the court costs and disbursements. You will also pay any collection costs we incur as the law allows.

- d. **We may take the vehicle from you.** If you default, we may take (repossess) the vehicle from you if we do so peacefully and the law allows it. If your vehicle has an electronic tracking device, you agree that we may use the device to find the vehicle. If we take the vehicle, any accessories, equipment, and replacement parts will stay with the vehicle. If any personal items are in the vehicle, we may store them for you at your expense. If you do not ask for these items back, we may dispose of them as the law allows.

- e. **How you can get the vehicle back if we take it.** If we repossess the vehicle, you may pay to get it back (redeem). We will tell you how much to pay to redeem. Your right to redeem ends when we sell the vehicle.

- f. **We will sell the vehicle if you do not get it back.** If you do not redeem, we will sell the vehicle. We will send you a written notice of sale before selling the vehicle. We will apply the money from the sale, less allowed expenses, to the amount you owe. Allowed expenses are expenses we pay as a direct result of taking the vehicle, holding it, preparing it for sale, and selling it. Attorney fees and court costs the law permits are also allowed expenses. If any money is left (surplus), we will pay it to you unless the law requires us to pay it to someone else. If money from the sale is not enough to pay the amount you owe, you must pay the rest to us, unless the law provides otherwise. If you do not pay this amount when we ask, we may charge you interest at a rate not exceeding the highest lawful rate until you pay.

- g. **What we may do about optional insurance, maintenance, service, or other contracts.** This contract may contain charges for optional insurance, maintenance, service, or other contracts. If we demand that you pay all you owe at once or we repossess the vehicle, you agree that we may claim benefits under these contracts and cancel them to obtain refunds of unearned charges to reduce what you owe or repair the vehicle. If the vehicle is a total loss because it is confiscated, damaged, or stolen, we may claim benefits under these contracts and cancel them to obtain refunds of unearned charges to reduce what you owe.

4. WARRANTIES SELLER DISCLAIMS

The following paragraph does not affect any warranties covering the vehicle that the vehicle manufacturer may provide. The following paragraph also does not apply at all if the vehicle is a new vehicle you bought primarily for personal, family, or household use.

Unless the Seller makes a written warranty, or enters into a service contract within 90 days from the date of this contract, the Seller makes no warranties, express

EXHIBIT

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Insurance may be added to your contract. If the added to your contract, the interest rate on the financing contract will apply to this added amount. The effective date of coverage may be the date your prior coverage lapsed or the date you failed to provide proof of coverage.

The coverage we purchase may be considerably more expensive than insurance you can obtain on your own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

If the vehicle is lost or damaged, you agree that we may use any insurance settlement to reduce what you owe or repair the vehicle.

e. What happens to returned insurance, maintenance, service, or other contract charges if we get a refund of insurance, maintenance, service, or other contract charges, you agree that we may subtract the refund from what you owe.

the window form for this vehicle is part of this contract. Infor in on the window form overrides any contrary provisions in the contract of sale. Spanish Translation: Guía para compradores de vehículos usados. La información que ve en el formulario de la ventanilla para este vehículo forma parte del presente contrato. La información del formulario de la ventanilla deja sin efecto toda disposición en contrato contenida en el contrato de venta.

SERVING AND COLLECTION CONTACTS

You agree that we may try to contact you in writing, by e-mail, or using prerecorded/artificial voice messages, text messages, and automatic telephone dialing systems, as the law allows. You also agree that we may try to contact you in these and other ways at any address or telephone number you provide us, even if the telephone number is a cell phone number or the contact results in a charge to you.

3. IF YOU PAY LATE OR BREAK YOUR OTHER PROMISES

a. You may owe late charges. You will pay a late charge on each late payment as shown on the front. Acceptance of a late payment or late charge does not excuse your late payment or mean that you may keep making late payments.

NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

7. APPLICABLE LAW

Federal law and the law of the state of our address shown on the front of this contract apply to this contract.

Form No. 653-OR 1/16

EXHIBIT

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Member Affidavit and Acknowledgement of Collateral Use

I/we the undersigned hereby attest that the following collateral in which I/we have offered a security interest to Oregon Community Credit Union (Credit Union), will be used for personal, family, or household purposes, and that the collateral will not be used for business purposes as long as Oregon Community Credit Union has a security interest in the collateral. I/we agree that I/we will maintain control of the collateral at all times, and will not sell, rent or lease the collateral, or lend it to someone else for other than occasional use.

I/we further attest that the collateral has not been purchased for the express purpose of resale, and/or will not be used as inventory in any activity, personal or public, involved in the sale of automobiles. I/we agree that the collateral is a vehicle as that term is defined under Section 801.590 of the Oregon Revised Statutes, will only be used for my/our personal travel or recreation purposes and will not be used as my/our place of domicile or primary residence for any length of time.

I/we acknowledge and agree that I/we will be in direct violation and in default of the terms and conditions of our lending agreements with Credit Union if any of the collateral described in this Affidavit, or other vehicle identified as collateral in the lending agreements, is used:

- as my/our place of domicile or primary residence for any length of time;
- as inventory in any activity, personal or public, including any sale, lease or rental activity; or
- for any purpose other than personal, family, or household purposes.

In addition, I/we acknowledge that if I/we use the collateral for other than personal, family, or household purposes or any other purpose expressly prohibited above, that I/we obtained the loan by false representation or actual fraud for the purposes of Section 523 of the U.S. Bankruptcy Code. Such default may result in the immediate acceleration of any balance owing on the loan secured by the collateral, as well as all other lending agreements with Credit Union.

Collateral:

Year: 2004 Make: Dodge Model: RAM 3500
VIN #: 3D7MN48C146130081

I/we hereby agree to this Affidavit and acknowledge by reference, that it will be made a part of my/our lending agreements with Credit Union for loan account. All other terms and conditions remain unchanged.

Suzanne Regalado
Member Signature

11/19/14
Date

Co-Borrower Signature

Date

Dealer Name: M & M INVESTMENT CARS LLC

Dealer Phone #: 503-267-0479

Dealer Fax #: 503-719-5807

PLEASE PRINT - INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

INSTRUCTIONS:

You may apply for credit in your name alone, whether or not you are married.

- (1) Please indicate whether you are applying for: ☒ Individual Credit ☐ Joint Credit ☐ Community Property State ☐ Business Application
 (2) ☒ If you are applying for individual credit in your name and relying on your own income or assets and not the income or assets of another person as the basis of repayment of the credit requested, complete only Section A.
 (3) ☐ If you are applying for joint credit with another person, complete sections A and B. We intend to apply for joint credit.

* If you are married and live in a community property state, please complete Section A about yourself and Section B about your spouse. You must sign this application. Your spouse must sign this application only if she wishes to be a Co-Applicant.

A. APPLICANT INFORMATION

Last Name REGALADO		First Name SUZANNE		Middle Initial	Social Security Number [REDACTED]	Birth Date [REDACTED]
Address 28943 SE WOODS RD		Apt # / Suite #	P.O. Box	Rural Route	City EAGLE CREEK	State OR Zip 97022
Home Phone # [REDACTED]	Cell Phone # [REDACTED]	Residential Status <input checked="" type="checkbox"/> Homeowner <input type="checkbox"/> Rent <input type="checkbox"/> Family <input type="checkbox"/> Other		Time at Address 4 Yrs 0 Mos.	Rent/Mtg. Pmt \$ 1,240.00	
E-Mail Address		Driver's License No.		Driver's License State	Time at Previous Address Yrs. Mos.	
Previous Full Address (if less than 2 years)		Apt # / Suite #	P.O. Box	Rural Route	City	State Zip
Employer Name SEATTLE CHILDRENS HOSPITAL		Employment Type <input checked="" type="checkbox"/> Employed <input type="checkbox"/> Unemployed <input type="checkbox"/> Self-employed <input type="checkbox"/> Military <input type="checkbox"/> Retired <input type="checkbox"/> Student <input type="checkbox"/> Other		Salary Type 6,850.00 <input type="checkbox"/> Weekly <input type="checkbox"/> Bi-Weekly <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Annually		
Occupation ADMINISTRATOR		Length of Employment 3 Yrs 0 Mos.		Work Phone Number (206) 987-0351		
Previous Employer Name		Previous Employment Type <input type="checkbox"/> Employed <input type="checkbox"/> Unemployed <input type="checkbox"/> Self-employed <input type="checkbox"/> Military <input type="checkbox"/> Retired <input type="checkbox"/> Student <input type="checkbox"/> Other		Previous Occupation		
Length of Employment Yrs. Mos.		Previous Work Phone Number				
Alimony, child support, or separate maintenance income need not be revealed if you do not choose to have it considered as a basis for repaying this obligation.						
Other Income (Monthly)		Source of Other Income		By Signing, You Certify that the Information on this Credit Application is accurate.		
Comments						

AGREEMENT

You understand and agree that you are applying for credit by providing the information to complete and submit this credit application. We may keep this application and any other application submitted to us and information about you whether or not the application is approved. You certify that the information on the application and in any other application submitted to us, is true and complete. You understand that false statements may subject you to criminal penalties. The words "you," "your" and "yours" mean each person submitting this application. The words "we," "us," "our" and "ours" as used below refer to us, the dealer, and to the financial institution(s) selected to receive your application. You authorize us to submit this application and any other application submitted in connection with the proposed transaction to the financial institutions disclosed to you by us the dealers. This application will be reviewed by such financial institutions on behalf of themselves and us the dealer. In addition, in accordance with the Fair Credit Reporting Act, you authorize that we may obtain a consumer credit report periodically from one or more consumer reporting agencies (credit bureaus) in connection with the proposed transaction and any update, renewal, refinancing, modification or extension of that transaction. You also agree that we or any affiliate of ours may obtain one or more consumer credit reports on you at any time whatsoever. If you ask, you will be told whether a credit report was requested, and if so, the name and address of any credit bureau from which we or our affiliate obtained your credit report. You agree that we may verify your employment, pay, assets and employment history we consider necessary and appropriate in evaluating this application and any other applications submitted in connection with the proposed transaction. You understand that we will rely on the information in this credit application in making our decision. We may monitor and record telephone calls regarding your account for quality assurance, compliance, training, or similar purposes.

By providing your cell phone number on this application, you are consenting to receive servicing and collection calls on your cell phone using an auto dialer or a prerecorded message. This consent applies to the dealer, who is the originating creditor in this transaction, as well as any assignee who may purchase your credit contract from the dealer.

I consent to receive autodialed, pre-recorded and artificial voice telemarketing and sales calls and text messages from or on behalf of dealer (or any financing source to which dealer assigns my contract) at the telephone number(s) provided in this credit application, including any cell phone numbers. I understand that this consent is not a condition of purchase or credit.

Initial to consent here _____

This application may be submitted to the following financial institutions (Name(s) and Address(es)) _____

BY SIGNING BELOW, YOU CERTIFY THAT YOU HAVE READ AND AGREE TO THE TERMS AND DISCLOSURES ON THE PAGES OF THIS APPLICATION.

Suzanne Regalado
APPLICANT'S SIGNATURE

11/19/14
DATE